



## **Proposed Revised Shell Kulluk OCS Minor Air Permit**

---

### **Fact Sheet on the Air Permit**

**Question:** What has EPA Region 10 been doing since the EPA's Environmental Appeals Board ("EAB") remanded the Kulluk permit back to us on September 14, 2007?

**Answer:** After the EAB decision, EPA Region 10 began reevaluating its June 12, 2007 permit decision. We reviewed our decision to issue a minor permit to Shell for the Kulluk. We also reviewed our determination that ambient air quality would remain protected.

**Question:** What is the difference between this proposal and the last permit?

**Answer:** EPA Region 10 is proposing to authorize use of the Kulluk, and not the Frontier Discoverer given a request from Shell. With respect to the revised Kulluk permit, the source has been redefined based upon a revised rationale, and conditions now restrict Shell's activities consistent with assumptions in a new ambient impact assessment.

**Question:** What is the outcome of EPA Region 10's review?

**Answer:** EPA Region 10 has made a preliminary decision to issue a minor permit to Shell to conduct exploratory activity in the Beaufort Sea utilizing the Kulluk and its support vessels. The permit would assure that ambient air quality will remain protected.

**Question:** What, if anything, has changed in EPA's decision making?

**Answer:** EPA Region 10 maintains that, as permitted, the Kulluk is a minor source, and major source review is unnecessary. EPA Region 10 has provided a thorough analysis documenting this preliminary decision. Based upon Shell's revised ambient impact assessment and new operating restrictions in the revised permit, EPA Region 10 is confident that the revised permit assures protection of ambient air quality.

### Major Source Review Unnecessary

**Question:** Why isn't Shell required to fulfill the more rigorous major source review requirements?

**Answer:** Shell has requested EPA Region 10 to limit air pollutant emissions associated with a single source to less than the major source threshold level. This means that the Kulluk is a minor source, and major source review is unnecessary.

Question: What has EPA determined to be the source?

Answer: The source, in this permit, is the collection of activities associated with a single planned well. Should it become necessary to drill either a replacement well and/or a relief well, then those additional activities will also be considered a part of the same source.

Question: What factors did EPA Region 10 consider in making its “source” determination?

Answer: EPA Region 10 considered the regulations and guidance documents in the context of new information to determine the source in this case. It was necessary to learn more about exploratory drilling before making the determination. To develop the background knowledge, EPA Region 10 conducted a literature search and consulted with the Minerals Management Service.

#### Air Quality Remains Protected

Question: What has changed about Shell’s ambient impact assessment?

Answer: EPA Region 10 directed Shell to revise its ambient impact assessment as follows:

- Determine annual pollutant concentrations by combining impacts from more than one drill site, and
- Determine pollutant concentrations to account for the strong diurnal wind patterns observed during the summer.

Question: What has changed about the permit to assure that ambient air quality will remain protected?

Answer: Under the permit, Shell must conduct exploratory activities consistent with assumptions used in the ambient impact assessment as follows:

- The Kulluk cannot drill for more than 80 days at any one location during the year.
- The Kulluk cannot drill for more than 160 days during the year.
- The Kulluk cannot drill at a location within 1,000 meters of another drill site location during the same year, unless the activities are a part of the same source.
- The Kulluk cannot generate more than 4.2 megawatts of electricity in any hour.
- The Kulluk cannot operate its two Thrustmaster engines simultaneously.
- The Jim Kilabuk cannot operate its main propulsion engines above 10 percent of maximum load while attached to the Kulluk.
- The Kulluk can operate its emergency generator only during an emergency or as needed to maintain readiness.